

Message Text

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14

ACTION EA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

USIA-15 ACDA-19 IO-14 COME-00 EB-11 LAB-06 SIL-01

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P R 281017Z NOV 73

FM AMEMBASSY BANGKOK

TO SECSTATE WASHDC PRIORITY 8572

INFO AMEMBASSY MANILA

CINCPAC

LIMITED OFFICIAL USE SECTION 1 OF 2 BANGKOK 18511

E.O. 11652: N/A

TAGS: ELAB, TH

SUBJECT: CURRENT LABOR UNREST - AN ASSESSMENT

REF: (NOTAL) A. BANGKOK 18436, B. BANGKOK 18247, C. BANGKOK A-201

1. SUMMARY. STRIKE WAVE WHICH STARTED IN SUMMER AND WAS INTERRUPTED BY MID-OCTOBER CHANGE IN GOVERNMENT HAS NOW RESUMED AND INCREASED IN INTENSITY. THAI WORKERS NEW MILITANCY TRACED TO GRANTING OF ADDITIONAL RIGHTS IN LABOR LAW OF 1972, WITH MOST IMPORTANT CAUSE OF CURRENT STRIKES BEING SHARP INCREASE IN COST OF LIVING THIS YEAR. STRIKES HAVE BEEN GENERALLY SHORT, NON-VIOLENT, SUCCESSFUL, AND RECEIVED BROAD PUBLIC SUPPORT, THOUGH TECHNICALLY ILLEGAL. LABOR UNIONS HAVE NOT PLAYED PARTICULARLY SIGNIFICANT ROLE, AND LEADERS THEREOF STILL RESISTING PRESSURES TO POLITICIZE LABOR MOVEMENT. NEW GOVERNMENT HAS RESPONDED MILDLY TO THIS FIRST SERIOUS CHALLENGE TO ITS AUTHORITY AND, INDEED, SEEMS TO SHARE BROAD PUBLIC SYMPATHY FOR WORKERS. RTG NOW PLANNING INCREASE MINIMUM WAGE FROM 12 TO 16 BAHT JANUARY 1 AND CABINET DECISION NOVEMBER 27 APPROVED VARIOUS MEASURES AIMED AT IMPROVING RTG'S OWN PERFORMANCE AS EMPLOYER. LATTER EXPECTED TO END SOON CURRENT
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ROUND OF STRIKES AT STATE ENTERPRISES, BUT STRIKES IN PRIVATE SECTOR LIKELY TO CONTINUE AS WORKERS STRUGGLE WITH STILL-RISING COST OF LIVING. END SUMMARY.

2. SUMMER STRIKE WAVE RESUMES. CURRENT LABOR UNREST REPORTED REFTELS A AND B IS RESUMPTION OF SUMMER WAVE OF STRIKES ASSESSED IN REF C. LATTER WAVE CONTINUED ON ALMOST DAILY BASIS INTO EARLY FALL AND, BY DRAMATIZING POPULAR DISCONTENT AT RTG'S FAILURE TO DEAL EFFECTIVELY WITH ECONOMIC ISSUES, PROBABLY CONTRIBUTED TO THANOM REGIME'S DOWNFALL. FOLLOWING EVENTS OF MID-OCTOBER WORKERS REFRAINED FROM STRIKE ACTION FOR SHORT PERIOD ALLOWING GOVERNMENT TIME TO ORGANIZE AND ESTABLISH ITSELF. BEGINNING NOV. 1 WITH HIGHLY-PUBLICIZED WALKOUT AT STANDARD GARMET CO. (IN WHICH HUNDREDS OF WORKERS PARADED THROUGH DOWNTOWN BANGKOK TO LABOR DEPT) STRIKE ACTION RESUMED AND HAS NOW REACHED NEW HIGH LEVEL OF INTENSITY. WHEREAS STRIKES OCCURRED AT THE RATE OF ABOUT ONE PER DAY DURING THE SUMMER WAVE (AN UNPRECEDENT FIGURE IN ITSELF) AND THE TOTAL WORKERS AFFECTED WERE APPROXIMATELY 50,000 THERE HAVE NOW BEEN MORE THAN 30 STRIKES SINCE NOV. 1 AFFECTING AT LEAST 26,000 WORKERS.

3. HISTORICAL PERSPECTIVE. UNTIL THIS YEAR THAI WORKERS, LONG ACCUSTOMED TO PATERNAL RELATIONSHIP WITH EMPLOYERS, HAVE BEEN NOTED FOR THEIR DOCILITY AS WELL AS THEIR WILLINGNESS TO ACCEPT LOW WAGES AND MINIMAL WORKING CONDITIONS. INDEED, THIS SITUATION HAS BEEN AN IMPORTANT ELEMENT IN RTG'S SUCCESS IN ATTRACTING FOREIGN INVESTMENT. SURPRISE ANNOUNCEMENT BY DEFUNCT NATIONAL EXECUTIVE COUNCIL IN MARCH 1972 OF COMPREHENSIVE NEW LABOR LAW WHICH INCLUDED FOR FIRST TIME SUCH MODERN CONCEPTS (FOR THAILAND) OF MINIMUM WAGE, WORKMEN'S COMPENSATION FUND, AND WORKERS' RIGHT TO ORGANIZE AND (WITH CERTAIN RESTRICTIONS) STRIKE HAS HAD IMPORTANT EFFECT IN CHANGING WORKERS' OWN CONCEPT OF THEIR ROLE IN SOCIETY. FOR MORE THAN A YEAR NOW RTG LABOR DEPARTMENT, WORKERS' GROUPS, UNIVERSITIES AND THE MEDIA HAVE BEEN INFORMING WORKERS OF THEIR RIGHTS UNDER NEW LAW. SIMILAR CAMPAIGN CARRIED OUT WITH EMPLOYERS BUT MOST OF LATTER CHOSE TO IGNORE LAW, PROBABLY COUNTING ON RTG'S INABILITY TO ENFORCE IT, MILD PENALTIES STATED THEREIN, AND WORKER IGNORANCE. LATTER, AT LEAST, IS NOW THING OF PAST AS STRIKE NEWS HAS SPREAD RAPIDLY. TOTAL STRIKES IN 1972 WAS 55; THIS YEAR'S TOTAL WILL BE MORE THAN 200.

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4. CAUSES AND CHARACTERISTICS. IN ADDITION TO INCREASED WORKERS AWARENESS OF RIGHTS AND FAILURE OF EMPLOYERS TO FOLLOW LABOR LAW, LACK OF COMMUNICATION BETWEEN LABOR AND MANAGEMENT AND, PARTICULARLY, THE SHARP INCREASE IN THE COST OF LIVING THIS YEAR (AFTER MANY YEARS OF PRICE STABILITY) ARE CAUSES OF CURRENT UNREST. ALSO, OF COURSE, THERE IS CERTAIN "BANDWAGON EFFECT" CREATED BY HIGHLY-PUBLICIZED SUCCESS ACHIEVED BY WORKERS STRIKING IN OTHER FIRMS. MOST RECENT STRIKES THUS FAR HAVE SHARED CERTAIN CHARESTERISTICS: THEY OCCURRED AT LARGE ENTERPRISES (INCLUDING FOR FIRST TIME, EXCEPT RAILWAY STRIKE IN JULY, STATE ENTERPRISES); THEY HAVE RECEIVED RTG LABOR DEPARTMENT, PUBLIC AND MEDIA SUPPORT; THEY HAVE BEEN OF SHORT

DURATION---FEW HOURS OR DAYS; DEMANDS OF WORKERS HAVE GENERALLY BEEN ACCEPTED BY MANAGEMENT; THEY HAVE ALL BEEN ILLEGAL UNDER LABOR LAW, I.E., DID NOT FOLLOW STRIKE PROCEDURE INCLUDING "COOLING OFF PERIOD" STATED THEREIN OR, IN CASE OF PUBLIC UTILITIES, WERE SPECIFICALLY FORBIDDEN BY LAW; LEGALLY-ESTABLISHED WORKERS' ASSOCIATION (I.E., LOCAL UNIONS) WERE FOR MOST PART NOT INVOLVED IN CALLING OR EVEN SUPPORTING STRIKE ACTION; THERE HAS BEEN GENERALLY NO VIOLENCE ALTHOUGH ONE TEXTILE ORGANIZER AND TWO BUS DRIVERS JOINING IN STRIKE HAVE BEEN SHOT AT (PRESUMABLY BY GUNMEN HIRED BY MANAGEMENT) AND TAXI DRIVERS BROKE WINDSHIELDS OF DRIVERS UNWILLING TO JOIN THEIR STRIKE ACTION.

5. ROLE OF WORKERS' ASSOCIATION LEADERS, AT LEAST, BELIEVE LABOR PLAYED SIGNIFICANT ROLE IN OUSTING MILITARY REGIME AND THUS ARE PRESSING FOR BETTER DEAL FOR WORKERS FROM PROFESSED DEMOCRATIC, CIVILIAN REGIME OF DR. SANYA. WORKERS' ASSOCIATIONS NOW NUMBER 22 WITH WELL OVER 10,000 MEMBERS AND REPRESENTATION IN MOST KEY INDUSTRIES. HOWEVER, THAI WTSLEERS HAVE BEEN SLOW TO ACCEPT CONCEPT OF PERMANENT ORGANIZATIONS DEDICATED TO THEIR WELFARE AND, PARTICULARLY, TO BE WILLING TO SUPPORT THEM FINANCIALLY. THUS, CURRENT STRIKE PATTERN HAS BEEN FOR WORKERS TO START WILDCAT STRIKES FIRST, THEN APPOINT TEMPORARY REPRESENTATIVES TO NEGOTIATE WITH MANAGEMENT. FOLLOWING NEGOTIATIONS WORKERS EITHER ACCEPT AGREEMENT WORKED OUT AND RETURN TO WORK OR, IF DISSATISFIED, APPOINT NEW REPRESENTATIVES TO GO BACK TO MANAGEMENT AND BEGIN PROCESS ALL OVER AGAIN. LEADERS OF WORKERS' ASSOCIATIONS HAVE OFTEN OFFERED THEIR SERVICES TO MANAGEMENT IN PERSUADING WORKERS
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TO RETURN TO WORK AND NEGOTIATE DIFFERENCES WITHOUT STRIKING.

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ACTION EA-14

INFO OCT-01 ISO-00 CIAE-00 DODE-00 PM-07 H-03 INR-10 L-03

NSAE-00 NSC-10 PA-04 RSC-01 PRS-01 SPC-03 SS-20

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6. LABOR AND POLITICS FOLLOWING THE FORMATION OF THE SANYA GOVERNMENT ONE LABOR LEADER TRIED UNSUCCESSFULLY TO ESTABLISH A NATIONAL LABOR CENTER EQUIVALENT TO THE NATIONAL STUDENT CENTER OF THAILAND AND WITH CRHKIM# OF PUTTING POLITICAL PRESSURE ON THE GOVERNMENT. HIS EFFORTS WERE OPIASE# THE LARGE MAJORITY OF

OTHER LABOR LEADERS WHO, RECALLING LABOR'S SINGLE AND DISASTROUS FLING AT POLITICS IN LATE FIFTIES, GENERALLY RESIST POLITICIZATION OF MOVEMENT. NEVERTHELESS, LEADERS ARE NOW REWRITING LABOR LAW AND INTEND TO PRESENT THEIR NEW VERSION TO LABOR DEPARTMENT FOR CONSIDERATION BY CURRENT REGIME. THEIR VERSION EXPECTED TO BE BASED ON 1956 LAW AND INCLUDE PROVISIONS FOR NATIONAL UNIONS (NOW FORBIDDEN) AND, POSSIBLY, INDUSTRIAL COURTS.

7. RTG RESPONSE KEENLY AWARE OF DEMOCRATIC IMAGE, SANYA GOVERNMENT HAS RESPONDED VERY MIDLY TO THIS FIRST SERIOUS CHALLENGE TO ITS AUTHORITY. INDEED, NOT ONLY MEDIA AND PUBLIC AT LARGE BUT RTG ITSELF SEEMS GENUINELY SYMPATHETIC TO PLIGHT OF WORKERS. LABOR DEPARTMENT OFFICIALS HAVE INDICATED MINIMUM WAGE OF 12 BAHT DAILY ESTABLISHED IN APRIL WILL BE RAISED TO 16 ON JANUARY 1, 1974 AND ESTIMATE THAT 200,000 WORKERS IN BANGKOK METROPOLITAN
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AREA WILL BE AFFECTED THEREBY. BANGKOK POST NOVEMBER 28 REPORTS CABINET DECISION PREVIOUS DAY ON FOLLOWING MEASURES TO END CURRENT UNREST.

A. RTG SALARIES INCLUDING MILITARY AND POLICE WILL BE REVISED UPWARD EFFECTIVE JANUARY 1.

B. MINIMUM WAGE FOR TEMPORARY RTG EMPLOYEES INCREASED FROM 21 TO 24 BAHT PER DAY EFFECTIVE IMMEDIATELY.

C. RTG TO PROVIDE MORE PROTECTION FOR WORKERS IN CASE OF SICKNESS, DISABILITY, AND OLD AGE.

D. STATE ENTERPRISES TO URGENTLY STUDY WAYS TO IMPLEMENT FAIR SALARY SCHEDULES AND PROVIDE WORKING CONDITIONS AND BENEFITS COMPATIBLE WITH CHANGING ECONOMIC CONDITIONS.

E. JOINT CONSULTATIVE COMMITTEES OF MANAGEMENT AND EMPLOYEES TO BE ESTABLISHED IN ALL STATE ENTERPRISES TO DISCUSS GRIEVANCES AND COMPLAINTS AS WELL AS POLICY AND MANAGEMENT PROBLEMS.

8. FUTURE PRESPECTS APPARENTLY-GENUINE RTG EFFORTS DESCRIBED

ABOVE TO IMPROVE LOT OF ITS WORKERS EXPECTED TO HAVE DESIRED
EFFECT SOON OF ENDING CURRENT WAVE OF STRIKES IN STATE ENTERPRISES.
HOWEVER, IF RTG IS INDEED TO BECOME MODEL EMPLOYER, IT WILL BE
HARD-PRESSED TO PRODUCE NECESSARY FUNDS TO PAY FOR HIGHER
SALARIES AND GREATER BENEFITS. MOREOVER, IMPROVED WAGE AND
WORKING CONDITIONS IN NON-AGRICULTURAL SECTORS OF ECONOMY WILL
INCREASE GAP BETWEEN RURAL THAILAND AND BANGKOK METROPOLITAN
AREA. STRIKES IN PRIVATE SECTOR OF ECONOMY EXPECTED TO CONTINUE
AS WORKERS IN NUMEROUS ENTERPRISES PLAY "CATCH UP" NOT ONLY WITH
OTHER SUCCESSFUL STRIKERS BUT ALSO WITH STILL-RISING COST OF
LIVING. THUS FAR, U.S. EMPLOYERS UNAFFECTED BY CURRENT STRIKE
WAVE AND EXPECTED TO REMAIN SO FOR MOST PART AS THEY GENERALLY
OUT IN FRONT ON WAGES AND BENEFITS AND APPARENTLY INTEND
TO REMAIN SO.
KINTNER

NOTE BY OC/T:BANGKOK 18511/2 # AS RECEIVED WILL SERVICED UPON REQUEST.

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